

SECTION 5 – NEW HIRE REPORTING

1 INTRODUCTION

New Hire is a national program required by both state and federal laws. It is designed to locate non-custodial parents with child support obligations.

New Hire information will also be used in the administration of Social Security and public assistance programs. This information will also be used to detect and prevent fraud within Unemployment Insurance and Worker's Compensation.

Accurate and timely reporting by employers is essential for the continued success of the program.

2 COMPLIANCE

All employers with a FEIN (Federal Employer Identification Number) must participate in New Hire reporting.

Employers are required to submit information on every newly hired employee to the Department of Workforce Development.

An **employee** is any individual who is considered an employee for federal income tax withholding purposes.

A **newly hired employee** is any individual reporting to work with an employer for the first time or any individual rehired after an unpaid absence of more than 90 days.

New Hire data is stored in the State Directory and matched against state child support cases. If a match is found, a wage withholding notice is sent to the employer for collection of child support.

All states' New Hire, quarterly wage and Unemployment Insurance benefit data is transmitted to the National Directory for interstate matching and child support enforcement. New Hire reports are also regularly compared against all States' quarterly wage files to identify reporting compliance. Employers found to be in compliance may be subject to penalties up to \$25 per unreported employee.

3 REPORTING INSTRUCTIONS

New Hire information may be reported in a variety of ways:

Part 6 of this section includes copies of State Form WT-4 and Federal Form W-4.

- **Secure Internet Site** - The address for the Internet reporting site is **www.newhire-usa.com/wi/**.

At this site, employers may key individual reports or transfer an entire file. The site also includes access to a log of reports submitted over the Internet during the most recent 90 days.

- **Diskette**
- **Magnetic Tape**
- **Paper** – Report by paper using State Form WT-4, Federal Form W4, or by submitting a list containing the required information listed below.

Paper reports may be sent by toll free fax at 1-800-277-8075. Copies of these forms can be found at the end of this section.

- **Toll Free Telephone** - Report by automated touch-tone at 1-888-300-4473.

Mail electronic and paper reports to:

**Wisconsin New Hire Reporting
P.O. Box 14431
Madison, WI 53714-0431**

New Hire reports are due within 20 days after the date the employee starts work for you or at least twice per month for electronic reporting such as Internet, diskette, or magnetic tape.

REPORTS MUST CONTAIN:

- Employee name
- Employee address
- Employee social security number
- Employee date of birth
- Employer name
- Employer payroll address
- Employer FEIN
- Date of hire

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OPTIONS FOR MULTI-STATE EMPLOYERS

Federal legislation allows employers with employees in more than one state the option to choose a single state for all New Hire reporting.

More information is available on the New Hire web site at **www.newhire-usa.com/wi/** or by calling toll free 1-888-300-4473.

5 TIPS

- Internet reporting is very convenient and eliminates mailing costs associated with paper forms, tapes and diskettes. Visit the New Hire web site at **www.newhire-usa.com/wi/**. Follow the links to New Hire to register for a user password and to start reporting on-line.
- The employer address on New Hire reports will be used by Child Support Enforcement agencies to send wage withholding notices. Please consistently provide the best employer address for this use on your New Hire report.
- Please do not include a cover sheet with faxed reports.
- Duplicate reporting increases program costs. Please do not submit an individual report more than once.

NEW HIRE REPORTING FORMS

WT-4

Employee's Wisconsin Withholding Exemption Certificate/New Hire Reporting

Employee's Section

Employee's Name (last, first, middle initial)		Social Security Number		Date of Birth
Employee's address (number and street)		City	State	Zip Code
<input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married, but legally separated, check the Single box.				Date of Hire

FIGURE YOUR TOTAL WITHHOLDING EXEMPTIONS BELOW

Complete Lines 1 through 3 only if your Wisconsin exemptions are different than your federal allowances.

1. (a) Exemption for yourself – enter 1
- (b) Exemption for your spouse – enter 1
- (c) Exemption(s) for dependent(s) – you are entitled to claim an exemption for each dependent
- (d) Total – add lines (a) through (c)
2. Additional amount per pay period you want deducted (if your employer agrees)
3. I claim complete exemption from withholding (see instructions). Enter "Exempt"

I CERTIFY that the number of withholding exemptions claimed on this certificate does not exceed the number to which I am entitled. If claiming complete exemption from withholding, I certify that I incurred no liability for Wisconsin income tax for last year and that I anticipate that I will incur no liability for Wisconsin income tax for this year.

(Date Signed) _____, 19____ (Signed) _____

EMPLOYEE INSTRUCTIONS:

• WHO MUST FILE:

Every employee is required to file a completed Form WT-4 with each of his or her employers unless the employee claims the same number of withholding exemptions for Wisconsin withholding tax purpose as for federal withholding tax purpose. Form WT-4 (or federal Form W-4 if a Form WT-4 is not filed) will be used by your employer to determine the amount of Wisconsin income tax to be withheld from your paychecks. If you have more than one employer, you should claim a smaller number or no exemptions on each Form WT-4 filed with employers other than your principal employer so that the total amount withheld will be closer to your actual income tax liability.

Your employer may also require you to complete this form to report your hiring to the Department of Workforce Development.

You may file a new Form WT-4 any time you wish to change the amount of withholding from your paychecks, providing the number of exemptions you claim does not exceed the number you are entitled to claim.

• UNDER WITHHOLDING:

If sufficient tax is not withheld from your wages, you may incur additional interest charges under the tax laws. In general, 90% of the net tax shown on your income tax return should be withheld.

• OVER WITHHOLDING:

If you are using Form WT-4 to claim the maximum number of exemptions to which you are entitled and your withholding exceeds your expected income tax liability, you may use Form WT-4A to minimize the over withholding.

• WHEN TO FILE IF YOUR EXEMPTIONS CHANGE:

You must file a new certificate within 10 days if the number of exemptions previously claimed by you DECREASES.

You may file a new certificate at any time if the number of your exemptions INCREASES.

• HOW TO COMPLETE FORM WT-4

Clearly print your full name (last, first, middle initial), address, social security number and date of birth.

• LINE 1:

(a)-(c) Number of exemptions — Do not claim more than the correct number of exemptions. If you expect to owe more income tax for the year than will be withheld if you claim every exemption to which you are entitled, you may increase your withholding by claiming a smaller number of exemptions on lines 1(a)-(c) or you may enter into an agreement with your employer to have additional amounts withheld (see instruction for line 2).

(c) Dependents — Those persons who qualify as your dependents for federal income tax purposes may also be claimed as dependents for Wisconsin purposes. The term "dependents" does not include you or your spouse. Indicate the number of dependents that you are claiming in the space provided.

• LINE 2:

Additional withholding — If you have claimed "zero" exemptions on line 1, but still expect to have a balance due on your tax return for the year, you may wish to request your employer to withhold an additional amount of tax for each pay period. If your employer agrees to this additional withholding, enter the additional amount you want deducted from each of your paychecks on line 2.

• LINE 3:

Exemption from withholding — You may claim exemption from withholding of Wisconsin income tax if you had no liability for income tax for last year, and you anticipate that you will incur no liability for income tax for this year. You may not claim exemption if your return shows tax liability before the allowance of any credit for income tax withheld. If you are exempt, your employer will not withhold Wisconsin income tax from your wages.

You must revoke this exemption (1) within 10 days from the time you anticipate you will incur income tax liability for the year or (2) on or before December 1 if you anticipate you will incur Wisconsin income tax liabilities for the next year. If you want to stop or are required to revoke this exemption, you must file a new Form WT-4 with your employer showing the number of withholding exemption you are entitled to claim. This certificate for exemption from withholding will expire on April 30 of next year unless a new Form WT-4 is filed before that date.

Employer's Section

Employer's Name		Federal Employer ID Number	
Employer's payroll address (number and street)	City	State	Zip Code

EMPLOYER INSTRUCTIONS for Department of Revenue:

- If you do not have a Federal Employer Identification Number (FEIN), contact the Internal Revenue Service to obtain a FEIN.
- If the employee has claimed more than 10 exemptions OR has claimed complete exemption from withholding and earns more than \$200.00 a week or is believed to have claimed more exemptions than he or she is entitled to, mail a copy of this certificate to: Wisconsin Department of Revenue, Audit Bureau, P.O. Box 8906, Madison, WI 53708 or fax (608)-267-0834.
- Keep a copy of this certificate with your records. If you have questions about the Department of Revenue requirements, call (608) 266-8646.

EMPLOYER INSTRUCTIONS for New Hire Reporting:

- This report contains the required information for reporting New Hire to Wisconsin, effective 1-1-98. Mail the original form to the Department of Workforce Development at the address printed on the reverse side, or fax toll free to 1-800-277-8075.
- If you are reporting New Hires electronically, you do not need to forward a copy of this report to Department of Workforce Development.
- If you have questions about New Hire requirements, call toll free (888) 300-HIRE (888-300-4473).

Form W-4 (2004)

Purpose. Complete Form W-4 so that your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2004 expires February 16, 2005. See **Pub. 505**, Tax Withholding and Estimated Tax.

Note: You cannot claim exemption from withholding if: (a) your income exceeds \$800 and includes more than \$250 of unearned income (e.g., interest and dividends) and (b) another person can claim you as a dependent on their tax return.

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized

deductions, certain credits, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply. **However, you may claim fewer (or zero) allowances.**

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See line E below.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See **Pub. 919**, How Do I Adjust My Tax Withholding? for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using

Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax.

Two earners/two jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others.

Nonresident alien. If you are a nonresident alien, see the **Instructions for Form 8233** before completing this Form W-4.

Check your withholding. After your Form W-4 takes effect, use **Pub. 919** to see how the dollar amount you are having withheld compares to your projected total tax for 2004. See **Pub. 919**, especially if your earnings exceed \$125,000 (Single) or \$175,000 (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 to initiate a name change and obtain a social security card showing your correct name.

Personal Allowances Worksheet (Keep for your records.)

A	Enter "1" for yourself if no one else can claim you as a dependent	A _____
B	Enter "1" if: <ul style="list-style-type: none">• You are single and have only one job; or• You are married, have only one job, and your spouse does not work; or• Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less.	B _____
C	Enter "1" for your spouse . But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.)	C _____
D	Enter number of dependents (other than your spouse or yourself) you will claim on your tax return	D _____
E	Enter "1" if you will file as head of household on your tax return (see conditions under Head of household above)	E _____
F	Enter "1" if you have at least \$1,500 of child or dependent care expenses for which you plan to claim a credit	F _____
(Note: Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)		
G	Child Tax Credit (including additional child tax credit): <ul style="list-style-type: none">• If your total income will be less than \$52,000 (\$77,000 if married), enter "2" for each eligible child.• If your total income will be between \$52,000 and \$84,000 (\$77,000 and \$119,000 if married), enter "1" for each eligible child plus "1" additional if you have four or more eligible children.	G _____
H	Add lines A through G and enter total here. Note: This may be different from the number of exemptions you claim on your tax return. ►	H _____
For accuracy, complete all worksheets that apply. <ul style="list-style-type: none">• If you plan to itemize or claim adjustments to income and want to reduce your withholding, see the Deductions and Adjustments Worksheet on page 2.• If you have more than one job or are married and you and your spouse both work and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the Two-Earner/Two-Job Worksheet on page 2 to avoid having too little tax withheld.• If neither of the above situations applies, stop here and enter the number from line H on line 5 of Form W-4 below.		

Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form W-4		Employee's Withholding Allowance Certificate		OMB No. 1545-0010
Department of the Treasury Internal Revenue Service		► Your employer must send a copy of this form to the IRS if: (a) you claim more than 10 allowances or (b) you claim "Exempt" and your wages are normally more than \$200 per week.		2004
1 Type or print your first name and middle initial		Last name		2 Your social security number
Home address (number and street or rural route)				
City or town, state, and ZIP code				
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)		5 _____		
6 Additional amount, if any, you want withheld from each paycheck		6 \$ _____		
7 I claim exemption from withholding for 2004, and I certify that I meet both of the following conditions for exemption: <ul style="list-style-type: none">• Last year I had a right to a refund of all Federal income tax withheld because I had no tax liability and• This year I expect a refund of all Federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here ► 7 _____				
<small>Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status.</small>				
Employee's signature (Form is not valid unless you sign it.) ►				
8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)		9 Office code (optional)		10 Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 10220Q

Form **W-4** (2004)

Deductions and Adjustments Worksheet

Note: Use this worksheet **only** if you plan to itemize deductions, claim certain credits, or claim adjustments to income on your 2004 tax return.

- 1 Enter an estimate of your 2004 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2004, you may have to reduce your itemized deductions if your income is over \$142,700 (\$71,350 if married filing separately). See **Worksheet 3** in Pub. 919 for details.) 1 \$ _____
- 2 Enter: $\left\{ \begin{array}{l} \$9,700 \text{ if married filing jointly or qualifying widow(er)} \\ \$7,150 \text{ if head of household} \\ \$4,850 \text{ if single} \\ \$4,850 \text{ if married filing separately} \end{array} \right\}$ 2 \$ _____
- 3 Subtract line 2 from line 1. If line 2 is greater than line 1, enter "-0-". 3 \$ _____
- 4 Enter an estimate of your 2004 adjustments to income, including alimony, deductible IRA contributions, and student loan interest 4 \$ _____
- 5 Add lines 3 and 4 and enter the total. (Include any amount for credits from **Worksheet 7** in Pub. 919) 5 \$ _____
- 6 Enter an estimate of your 2004 nonwage income (such as dividends or interest) 6 \$ _____
- 7 Subtract line 6 from line 5. Enter the result, but not less than "-0-". 7 \$ _____
- 8 Divide the amount on line 7 by \$3,000 and enter the result here. Drop any fraction 8 _____
- 9 Enter the number from the **Personal Allowances Worksheet**, line H, page 1 9 _____
- 10 Add lines 8 and 9 and enter the total here. If you plan to use the **Two-Earner/Two-Job Worksheet**, also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4, line 5, page 1 10 _____

Two-Earner/Two-Job Worksheet (See **Two earners/two jobs** on page 1.)

Note: Use this worksheet **only** if the instructions under line H on page 1 direct you here.

- 1 Enter the number from line H, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) 1 _____
 - 2 Find the number in **Table 1** below that applies to the **LOWEST** paying job and enter it here 2 _____
 - 3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4, line 5, page 1. **Do not** use the rest of this worksheet 3 _____
- Note:** If line 1 is **less than** line 2, enter "-0-" on Form W-4, line 5, page 1. Complete lines 4-9 below to calculate the additional withholding amount necessary to avoid a year-end tax bill.
- 4 Enter the number from line 2 of this worksheet 4 _____
 - 5 Enter the number from line 1 of this worksheet 5 _____
 - 6 Subtract line 5 from line 4 6 _____
 - 7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying job and enter it here 7 \$ _____
 - 8 Multiply line 7 by line 6 and enter the result here. This is the additional annual withholding needed 8 \$ _____
 - 9 Divide line 8 by the number of pay periods remaining in 2004. For example, divide by 26 if you are paid every two weeks and you complete this form in December 2003. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck 9 \$ _____

Table 1: Two-Earner/Two-Job Worksheet

Married Filing Jointly			Married Filing Jointly			All Others		
If wages from HIGHEST paying job are—	AND, wages from LOWEST paying job are—	Enter on line 2 above	If wages from HIGHEST paying job are—	AND, wages from LOWEST paying job are—	Enter on line 2 above	If wages from HIGHEST paying job are—	AND, wages from LOWEST paying job are—	Enter on line 2 above
\$0 - \$40,000	\$0 - \$4,000	0	\$40,001 and over	31,001 - 38,000	6	\$0 - \$6,000		0
	4,001 - 8,000	1		38,001 - 44,000	7	6,001 - 11,000		1
	8,001 - 17,000	2		44,001 - 50,000	8	11,001 - 18,000		2
	17,001 and over	3		50,001 - 55,000	9	18,001 - 25,000		3
				55,001 - 65,000	10	25,001 - 31,000		4
\$40,001 and over	\$0 - \$4,000	0		65,001 - 75,000	11	31,001 - 44,000		5
	4,001 - 8,000	1		75,001 - 85,000	12	44,001 - 55,000		6
	8,001 - 15,000	2		85,001 - 100,000	13	55,001 - 70,000		7
	15,001 - 22,000	3		100,001 - 115,000	14	70,001 - 80,000		8
	22,001 - 25,000	4		115,001 and over	15	80,001 - 100,000		9
	25,001 - 31,000	5				100,001 and over		10

Table 2: Two-Earner/Two-Job Worksheet

Married Filing Jointly		All Others	
If wages from HIGHEST paying job are—	Enter on line 7 above	If wages from HIGHEST paying job are—	Enter on line 7 above
\$0 - \$60,000	\$470	\$0 - \$30,000	\$470
60,001 - 110,000	780	30,001 - 70,000	780
110,001 - 150,000	870	70,001 - 140,000	870
150,001 - 270,000	1,020	140,001 - 320,000	1,020
270,001 and over	1,090	320,001 and over	1,090

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. The Internal Revenue Code requires this information under sections 3402(f)(2)(A) and 6109 and their regulations. Failure to provide a properly completed form will result in your being treated as a single person who claims no withholding allowances. Providing fraudulent information may also subject you to penalties. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, to cities, states, and the District of Columbia for use in administering their tax laws, and using it in the National Directory of New Hires. We may also disclose this information to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB

control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 46 min.; **Learning about the law or the form**, 13 min.; **Preparing the form**, 59 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Products Coordinating Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form W-4 to this address. Instead, give it to your employer.

